Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address WEILAND GOLDEN GOODRICH LLP Michael J. Weiland, State Bar No. 96672 mweiland@wgllp.com Jeffrey I. Golden, State Bar No. 133040 jgolden@wgllp.com Reem J. Bello, State Bar No. 198840 rbello@wgllp.com	FOR COURT USE ONLY	
650 Town Center Drive, Suite 600 Costa Mesa, California 92626 Telephone 714-966-1000; Facsimile 714-966-1002		
☐ Individual appearing without attorney X Attorney for: Chapter 7 Trustee Weneta M.A. Kosmala		
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - SANTA ANA DIVISION		
In re: AHMAD MALKAWI,	CASE NO.: 8:15-bk-10182-MW	
A HAD CONTROL OF THE	CHAPTER: 7	
Debtor(s).	NOTICE OF SALE OF ESTATE PROPERTY	
Sale Date: 05/11/2020	Time: 2:00 pm	
	•	
Location: United States Bankruptcy Court, Courtroom 6C, 411 West Fourth Street, Santa Ana, California 92701 Type of Sale: Public Private Last date to file objections: 04/27/2020		
Description of property to be sold: All rights, titles and interests of the Estate in and to: (1) Global Telecom, Corp., including any and all shares of stock of Global Telecom, Corp., owned and held by the Estate, and all rights, including causes of action, appurtenant to such shares; and (2) Global Telecom Engineering, Inc., including any and all shares of stock of Global Telecom Engineering, Inc., owned and held by the Estate, and all rights, including causes of action, appurtenant to such shares.		
Terms and conditions of sale: Subject to overbid. Earnest money deposit of \$51,000.00 required. Sale is "as is, where is," with no warranties or guaranties of any kind. Sale is subject to Bankruptcy Court approval. Other terms and conditions apply; see motion on file with the Clerk of Court. Proposed sale price: \$50,000.00		
Proposed sale price: \$ 50,000.00		

Overbid procedure (*if any*): Overbid increments: \$1,000.00 initial / \$1,000.00 thereafter. \$51,000.00 earnest money deposit. See attached overbid procedures.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Sale Date: May 11, 2020 at 2:00 p.m. Location United States Bankruptcy Court Central District of California, Santa Ana Division 411 W. Fourth Street, Courtroom 6C Santa Ana, CA 92701

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

WEILAND GOLDEN GOODRICH LLP Jeffrey I. Golden, Esq. Reem J. Bello, Esq. 650 Town Center Drive, Suite 600 Costa Mesa, California 92626 Telephone 714-966-1000 Facsimile 714-966-1002 jgolden@wgllp.com rbello@wgllp.com

Date: 04/20/2020

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TO ALL INTERESTED PARTIES:

Weneta M.A. Kosmala, the Chapter 7 trustee ("Trustee") for the bankruptcy estate ("Estate") of debtor Ahmad Malkawi ("Debtor"), has filed the Motion for Order: (1) Authorizing Sale of Personal Property Assets Free and Clear of Liens and Interests Pursuant to 11 U.S.C. §§ 363(b) and (f); (2) Approving Overbid Procedures; and (3) Approving Proposed Buyer as Good-Faith Purchaser Pursuant to 11 U.S.C. § 363(m) ("Motion"). A hearing on the Motion will take place at the United States Bankruptcy Court located at 411 West Fourth Street, Santa Ana, California, courtroom 5C, on May 11, 2020 at 2:00 p.m.

By the Motion, the Trustee seeks the Court's approval of a sale of shares of stock in two companies for \$50,000.00, subject to overbid. The Trustee believes the proposed sale is reasonable, in the best interest of the Estate, and supported by a valid business purpose. The offer to acquire the shares of stock is the only offer received by the Trustee to date. The proposed sale will bring cash into the Estate for the benefit of creditors and is subject to overbid.

BACKGROUND

On January 14, 2015 ("Petition Date"), Debtor filed a voluntary petition for relief under Chapter 7 of the United States Bankruptcy Code, case no. 8:15-bk-10182-MW ("Case"), and John M. Wolfe was appointed the Chapter 7 trustee. Debtor filed his bankruptcy schedules ("Schedules") on January 28, 2015, as both Docket No. 11 and Docket No. 11-1. Debtor received a discharge of his bankruptcy case on or about May 11, 2015. On May 18, 2015, the Trustee filed his report of no distribution and the case was closed by order entered June 21, 2016. On December 2, 2019, the Office of the United States Trustee ("UST") filed its *ex parte* application for an order reopening the Case ("Application to Reopen"), and an order reopening the Case was entered on December 3, 2019. Shortly thereafter, Weneta M.A. Kosmala was appointed the Chapter 7 trustee.

According to Schedule B - Personal Property, as of the Petition Date, Debtor owned and held forty-nine percent (49%) of the shares of stock of Global Telecom, Corp., a California corporation ("Global Telecom, Corp.") which Debtor valued at Seven Hundred Dollars (\$700.00), and which, by the filing of the Case and the Trustee's appointment, are now vested in the Trustee for the benefit of the Estate. According to Schedule D – Creditors Holding Secured Claims, there are no secured claims against the shares of stock.

According to deposition testimony by Debtor and his spouse Andrada Costoiu ("Ms. Costoiu"), as of the Petition Date, the remaining fifty-one percent (51%) of the shares of stock of Global Telecom, Corp., were owned by Ms. Costoiu and, as such, were community property of the Debtor and therefore became and are now also vested in the Trustee.

According to the records of the State of Delaware Secretary of State, Global Telecom Engineering, Inc., a Delaware corporation ("Global Telecom Engineering, Inc."), was formed and incorporated on October 8, 2018.

¹ Capitalized terms have the meaning as the capitalized terms in the Motion.

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According to the records of the Secretary of State for the State of California, Global Telecom, Corp., merged with and into Global Telecom Engineering, Inc., on October 8, 2018, the same date as the date of the formation and incorporation of Global Telecom Engineering, Inc., as evidenced by a Certificate of Merger filed with the State of Delaware Secretary of State on October 8, 2018, a copy of which was filed with the Secretary of State for the State of California on October 9, 2018, as California Secretary of State Filing Number D1477552.

Seowon Intech Co., Ltd., a South Korea corporation ("Buyer") desires to purchase from the Trustee and, subject to the approval of the Agreement (defined below) by the Bankruptcy Court and possible overbidding by other prospective purchasers, the Trustee desires to sell to Buyer, on the terms and conditions set forth in the Agreement, all rights, titles and interests of the Estate in and to: (1) Global Telecom, Corp., including any and all shares of stock of Global Telecom, Corp., owned and held by the Estate, and all rights, including causes of action, appurtenant to such shares; and (2) Global Telecom Engineering, Inc., owned and held by the Estate, and all rights, including causes of action, appurtenant to such shares (collectively, "Sale Assets"), as a sale free and clear of liens and interests pursuant to 11 U.S.C. § 363(b) and (f) ("Sale") for a purchase price of \$50,000.00 ("Purchase Price"), subject to overbid, pursuant to the Purchase and Sale Agreement ("Agreement").

Global Telecom, Corp., and Global Telecom Engineering, Inc., are privately held companies. Therefore, the Trustee is unable to determine the value of the Sale Assets. The Trustee, in her business judgment, believes the Purchase Price is reasonable and wishes to proceed with the sale of the Sale Assets to Buyer, subject to overbid.

TERMS OF THE PROPOSED SALE

The Trustee (also referred to as "Seller") seeks to sell all rights, titles and interests of the Estate in the Sale Assets for the benefit of the Estate, and Buyer, whose address is 689-47 Kyunggi DoKumjung-Dong, Kunpo-City, South Korea, desires to purchase such interest in the Sale Assets. The Trustee and Buyer are referred to as the "Parties." Therefore, the Parties have entered into the Agreement, a copy of which is attached as Exhibit 5 to the Motion. The salient terms of the Agreement and the proposed Sale are as follows²:

- 1. <u>Bankruptcy Court Approval</u>. The Sale is subject to approval of the Court. The order approving the Sale shall become final fifteen days after it is entered unless an appeal is timely-filed and a stay pending appeal is obtained ("<u>Final Order</u>").
- Continued Marketing, Competitive Bidding and Sale Pursuant to Best Offer Received. Until the Approval Order is entered by the Bankruptcy Court:

 (a) Seller may establish, amend, rescind and seek Bankruptcy Court approval of Bidding Procedures to facilitate an organized auctioned sale of the Sale Assets, including establishing minimum deposit requirements, minimum bid increments and criteria for qualifying prospective purchasers as Qualifying Bidders including proof of funds and ability to perform;
 (b) Seller may solicit, propose, negotiate, counter and accept competing

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² Parties are advised to consult the Agreement for all terms and conditions.

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- 3. Purchase and Sale Obligation. Subject to the terms and conditions of this Agreement and upon the entry of the Approval Order and the passage of time to appeal same such that the Approval Order becomes a Final Order, Seller will sell, transfer and assign to Buyer, and Buyer will purchase, acquire and accept from Seller, all rights, titles and interests in and to the Sale Assets, as a sale, transfer and assignment free and clear of Liens and Interests pursuant to 11 U.S.C. §363(b) and (f), on an "AS IS", "WHERE IS" and "WITH ALL FAULTS" basis and condition, as set forth in Section 4.3³.
- 4. Payment of Purchase Price. Buyer shall pay the Purchase Price as follows: Initial Deposit. On or before the Execution Date, Buyer will deposit directly with the Trustee a deposit ("Initial Deposit") in the cash sum of Fifty Thousand Dollars (\$50,000.00), by delivering to the Trustee a valid Cashier's Check payable to "Weneta M. A. Kosmala, Trustee" in said amount. If the Sale to Buyer is consummated, then the Initial Deposit will be retained by Seller for the benefit of the Estate and credited toward the payment of the Purchase Price. If the Sale to Buyer fails to occur by reason of a Default by Buyer, then the entire \$50,000.00 Initial Deposit will be forfeited to Seller as "Liquidated Damages" as provided in Section 5.3. The entire Initial Deposit will be promptly returned to Buyer if the Sale fails to occur by reason of the occurrence of any of: (a) the Bankruptcy Court declining to enter the Approval Order as provided for in Section 2.1; (b) the Sale Assets being sold to another person, including as a result of the competitive bidding process described in Section 2.2; (c) the Sale Order being denied by the Bankruptcy Court, or (d) a Default by Seller as defined in Section 5.2.
 - b. <u>Final Deposit</u>. Within one (1) Business Day following the entry of the Approval Order approving the Sale to Buyer, Buyer will deposit directly with Seller a deposit ("<u>Final Deposit</u>") in the amount, if any, by which the Purchase Price exceeds the amount of the Initial Deposit, by delivering to Seller a valid Cashier's Check payable to "Weneta M. A. Kosmala, Trustee" in said amount, and the Final Deposit, if any, will also be applied and credited toward the payment of the Purchase Price.

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³ Section references are to the Agreement.

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5. Maintenance of Deposits. Seller will maintain all Deposits received by Seller pursuant to this Agreement in a federally insured bank approved by the Office of the United States Trustee for such purpose, until credited and applied toward the payment of the Purchase Price, forfeited to Seller as "Liquidated Damages," or returned to Buyer, in accordance with the terms of this Agreement. No interest will be earned by or payable to Buyer with respect to any funds deposited with Seller.

PROPOSED OVERBID PROCEDURES

The Trustee proposes the following procedure to allow for overbids prior to the Court's approval of the Sale to ensure that the Sale Assets are sold for the best possible price:

- 1. Qualifying bidders ("Qualifying Bidder") shall:
 - Bid at least \$51,000.00 in cash for the Sale Assets;
- Set forth in writing the terms and conditions of the offer that are b. at least as favorable to the Trustee as those set forth in the Agreement:
- Be financially qualified, in the Trustee's exercise of her sound business judgment, to close the purchase of the Sale Assets:
- Submit an offer that does not contain any contingencies to closing the sale, including, but not limited to, financing contingencies;
- Submit a cash deposit of \$51,000.00 ("Overbid Deposit") pavable to Weneta M.A. Kosmala, Chapter 7 Trustee for the Bankruptcy Estate of Ahmad Malkawi, in the form of a cashier's check, which Overbid Deposit shall be non-refundable if the bid is deemed to be the Successful Bid, as defined in paragraph 4 below. The Overbid Deposit, written offer, and evidence of financial qualification must be delivered to the Trustee's counsel at or before the hearing currently set for May 11, 2020, at 2:00 p.m. The Trustee's counsel's address is listed in the upper left-hand corner of page 1 of this Motion.
- At the hearing on the Motion, only Buyer or its representatives and any party who is deemed a Qualifying Bidder shall be entitled to bid.
- Any incremental bid in the bidding process shall be at least \$1,000.00 higher than the prior bid.
- At the hearing on the Motion and upon conclusion of the bidding process, the Trustee shall decide, subject to Court approval, which of the bids is the best bid, and such bid shall be deemed to be the "Successful Bid." The bidder who is accepted by the Trustee as the successful bidder ("Successful Bidder") must pay all amounts reflected in the Successful Bid in cash at the closing of the sale. At the hearing on the Motion, and upon conclusion of the bidding process, the Trustee may also acknowledge a back-up bidder ("Back-Up Bidder") which shall be the bidder with the next best bid. Should the Successful Bidder fail to close the sale of the Sale Assets, the Trustee may sell the Sale Assets to the Back-Up Bidder without further Court order.
- Overbids shall be all cash and no credit shall be given to the purchaser or over bidder(s).

A complete copy of the Motion is on file with the Bankruptcy Court.

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1 Parties-in-interest are advised that pursuant to Second Amended General Order 20-02 entered April 14, 2020, in all bankruptcy cases pending in the Central District of California, telephonic appearances are mandatory except for trials and other evidentiary hearings through June 1, 2020, unless otherwise ordered by the Court. In order to 3 schedule an appearance by telephone, parties are advised to contact CourtCall at (866) 582-6878 and schedule a telephonic appearance. 4 Your Rights May be Affected. You should read these papers carefully and discuss them with your attorney, if you have one. If you do not have an attorney, you may wish to consult one. 6 **Deadline for Opposition Papers.** The Motion is being heard on regular notice pursuant to LBR 9013-1. If you wish to oppose the Motion, you must file a written response with the Court and serve a copy of it upon the Movant or Movant's attorney at the address set forth above no less than 14 days prior to the above hearing date. If you fail to file a written response to the Motion within such time period, the Court may treat such failure as a waiver of your right to oppose the Motion and may grant the requested relief. 10 Hearing Date Obtained Pursuant to Judge's Self-Calendaring Procedure. The 11 undersigned hereby verifies that the above hearing date and time were available for this type of Motion according to the judge's self-calendaring procedures. 12 Dated: April 20, 2020 WEILAND GOLDEN GOODRICH LLP 13 14 By: /s/ Reem J. Bello JEFFREY I. GOLDEN 15 REEM J. BELLO Attorneys for Chapter 7 Trustee, 16 Weneta M.A. Kosmala 17 18 19 20 21 22 23 24 25 26 27

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

650 Town Center Drive, Suite 600

Costa Mesa, California 92626

A true and correct copy of the foregoing document entitled (*specify*): Notice of Hearing on Chapter 7 Trustee's Motion for Order: (1) Authorizing Sale of Personal Property Assets Free and Clear of Liens and Interests Pursuant to 11 U.S.C. §§ 363(b) and (f); (2) Approving Overbid Procedures; and (3) Approving Proposed Buyer as Good-Faith Purchaser Pursuant to 11 U.S.C. § 363(m)

000(b) and (i), (2) i	Approving Overbia i recedance, and (e)	Tripproving 1 reposed Bayor de Cood 1 diair 1 dichacor 1 diedan
to 11 U.S.C. § 363(I		in the form and manner required by LBR 5005-2(d); and (b) in
the manner stated b		in the form and manner required by LBR 5005-2(d), and (b) in
Orders and LBR, the April 20, 2020, I che	e foregoing document will be served by ecked the CM/ECF docket for this bank	ECTRONIC FILING (NEF) : Pursuant to controlling General y the court via NEF and hyperlink to the document. On (<i>date</i>) cruptcy case or adversary proceeding and determined that the receive NEF transmission at the email addresses stated below:
		⊠ Service information continued on attached page
On (date) April 20, 2 case or adversary p first class, postage	proceeding by placing a true and correct	nd/or entities at the last known addresses in this bankruptcy of copy thereof in a sealed envelope in the United States mail, ting the judge here constitutes a declaration that mailing to the ocument is filed.
Honorable Mark S. United States Banki 411 West Fourth St Santa Ana, CA 9270	ruptcy Court reet, Suite 6135 / Courtroom 6C	Ahmad Malkawi 127 Roadrunner Irvine, CA 92603-0161
		⊠ Service information continued on attached page
for each person or e following persons as such service method	entity served): Pursuant to F.R.Civ.P. solution of the personal delivery, ove d), by facsimile transmission and/or en	MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method 5 and/or controlling LBR, on (date) April 20, 2020, I served the rnight mail service, or (for those who consented in writing to nail as follows. Listing the judge here constitutes a declaration ill be completed no later than 24 hours after the document is
		 Service information continued on attached page
I declare under pena	alty of perjury under the laws of the Un	ited States that the foregoing is true and correct.
4/20/2020	Victoria Rosales	victorian
Date	Printed Name	Signature

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

Reem J Bello rbello@wgllp.com,

kadele@wgllp.com; vrosales@wgllp.com; cyoshonis@wgllp.com; cbmeeker@gmail.com

Rebecca A Caley rcaley@acaleylaw.com, kristina@caleylaw.com;carolyn@caleylaw.com

Weneta M Kosmala (TR) ecf.alert+Kosmala@titlexi.com,

wkosmala@txitrustee.com;dmf@txitrustee.com;kgeorge@kosmalalaw.com

Austin P Nagel melissa@apnagellaw.com

Michael B Reynolds mreynolds@swlaw.com, kcollins@swlaw.com

Andrew Still astill@swlaw.com, kcollins@swlaw.com

United States Trustee (SA) ustpregion16.sa.ecf@usdoj.gov

SERVED BY UNITED STATES MAIL:

Zuhair Nubani 823 Adler Ct.

Schaumburg, IL 60194-2413

Mercedes-Benz Financial Services USA LLC, fk 13650 Heritage Pkwy. Fort Worth, TX 76177-5323

Seowon Intech Co., Ltd. c/o The Shinbrot Firm Attention: Jeffrey S. Shinbrot 8200 Wilshire Boulevard - Suite 400 Beverly Hills, California 90211

Seowon Intech Co, Ltd. c/o Lamb and Kawakami LLP Attention: Patrick Rendon 333 South Grand Avenue, Suite 4200 Los Angeles, CA 90071

Access Communications, Inc. c/o CT Corporation System Inc. 100 S. Fifth Street, Suite 1075 Minneapolis, MN 55402-1265

Eldorado Resorts Corp. 3015 N. Ocean Blvd., Suite 12 Fort Lauderdale, FL 33308-7344

Hyundai Lease Tilting Trust c/o Law Offices of Austin P. Nagel 111 Deerwood Rd., Suite 305 San Ramon, CA 94583-1530

KIT Motors Finance POB 20815 Fountain Valley, CA 92728

MA – Huon c/o Southwest Credit Systems 4120 International Parkway Carrollton, TX 75007-1958

MB Financial Services 36455 Corporate Drive Farmington Hills, MI 48331-3552

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

650 Town Center Drive, Suite 600 Costa Mesa, CA 92626

		and manner required by LBR 5005-2(d); and (b) in the manner stated
Orders and LBR 04/20/2020 , I	the foregoing document will be serve checked the CM/ECF docket for this	FELECTRONIC FILING (NEF): Pursuant to controlling General ed by the court via NEF and hyperlink to the document. On (date) bankruptcy case or adversary proceeding and determined that the st to receive NEF transmission at the email addresses stated below:
		Service information continued on attached page
On (<i>date</i>) <u>04/20</u> case or adversa ïrst class, posta	ry proceeding by placing a true and co	as and/or entities at the last known addresses in this bankruptcy brrect copy thereof in a sealed envelope in the United States mail, . Listing the judge here constitutes a declaration that mailing to the e document is filed.
		Service information continued on attached page
or each person ollowing persor such service me	or entity served): Pursuant to F.R.Cives and/or entities by personal delivery, ethod), by facsimile transmission and/or	HT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method v.P. 5 and/or controlling LBR, on (date) 04/20/2020, I served the overnight mail service, or (for those who consented in writing to or email as follows. Listing the judge here constitutes a declaration ge will be completed no later than 24 hours after the document is
		Service information continued on attached page
declare under	penalty of perjury under the laws of th	e United States that the foregoing is true and correct.
04/20/2020	Victoria Rosales	victorial
Date	Printed Name	Signature

TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

Reem J Bello rbello@wgllp.com,

kadele@wgllp.com; vrosales@wgllp.com; cyoshonis@wgllp.com; cbmeeker@gmail.com

Rebecca A Caley rcaley@caleylaw.com, kristina@caleylaw.com;carolyn@caleylaw.com

Weneta M Kosmala (TR) ecf.alert+Kosmala@titlexi.com,

wkosmala@txitrustee.com;dmf@txitrustee.com;kgeorge@kosmalalaw.com

Austin P Nagel melissa@apnagellaw.com

Michael B Reynolds mreynolds@swlaw.com, kcollins@swlaw.com

Andrew Still astill@swlaw.com, kcollins@swlaw.com

United States Trustee (SA) ustpregion16.sa.ecf@usdoj.gov